

Federal Acquisition Regulation

32.001

Subpart 32.9—Prompt Payment

- 32.900 Scope of subpart.
- 32.901 Applicability.
- 32.902 Definitions.
- 32.903 Responsibilities.
- 32.904 Determining payment due dates.
- 32.905 Payment documentation and process.
- 32.906 Making payments.
- 32.907 Interest penalties.
- 32.908 Contract clauses.
- 32.909 Contractor inquiries.

Subpart 32.10—Performance-Based Payments

- 32.1000 Scope of subpart.
- 32.1001 Policy.
- 32.1002 Bases for performance-based payments.
- 32.1003 Criteria for use.
- 32.1004 Procedures.
- 32.1005 Solicitation provision and contract clause.
- 32.1006 [Reserved]
- 32.1007 Administration and payment of performance-based payments.
- 32.1008 Suspension or reduction of performance-based payments.
- 32.1009 Title.
- 32.1010 Risk of loss.

Subpart 32.11—Electronic Funds Transfer

- 32.1100 Scope of subpart.
- 32.1101 Statutory requirements.
- 32.1102 Definitions.
- 32.1103 Applicability.
- 32.1104 Protection of EFT information.
- 32.1105 Assignment of claims.
- 32.1106 EFT mechanisms.
- 32.1107 Payment information.
- 32.1108 Payment by Governmentwide commercial purchase card.
- 32.1109 EFT information submitted by offerors.
- 32.1110 Solicitation provision and contract clauses.

AUTHORITY: 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 51 U.S.C. 20113.

SOURCE: 48 FR 42328, Sept. 19, 1983, unless otherwise noted.

32.000 Scope of part.

This part prescribes policies and procedures for contract financing and other payment matters. This part addresses—

- (a) Payment methods, including partial payments and progress payments based on percentage or stage of completion;
- (b) Loan guarantees, advance payments, and progress payments based on costs;

(c) Administration of debts to the Government arising out of contracts;

(d) Contract funding, including the use of contract clauses limiting costs or funds;

(e) Assignment of claims to aid in private financing;

(f) Selected payment clauses;

(g) Financing of purchases of commercial items;

(h) Performance-based payments; and

(i) Electronic funds transfer payments.

[48 FR 42328, Sept. 19, 1983, as amended at 60 FR 49710, Sept. 26, 1995; 61 FR 45772, Aug. 29, 1996; 67 FR 13054, Mar. 20, 2002]

32.001 Definitions.

As used in this part—

Commercial interim payment means any payment that is not a commercial advance payment or a delivery payment. These payments are contract financing payments for prompt payment purposes (*i.e.*, not subject to the interest penalty provisions of the Prompt Payment Act in accordance with subpart 32.9). A commercial interim payment is given to the contractor after some work has been done, whereas a commercial advance payment is given to the contractor when no work has been done.

Contract action means an action resulting in a contract, as defined in subpart 2.1, including actions for additional supplies or services outside the existing contract scope, but not including actions that are within the scope and under the terms of the existing contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes.

Contract financing payment means an authorized Government disbursement of monies to a contractor prior to acceptance of supplies or services by the Government.

(1) Contract financing payments include—

- (i) Advance payments;
- (ii) Performance-based payments;
- (iii) Commercial advance and interim payments;
- (iv) Progress payments based on cost under the clause at 52.232-16, Progress Payments;